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Price: \$25.00

**OFFICE OF
INSURANCE COMMISSIONER**

In the Matter of

No. D06-238

REGENCE HEALTH
MAINTENANCE OF OREGON,

CONSENT ORDER IMPOSING A FINE

A Registered Health Maintenance
Organization

Findings of Fact:

1. Regence Health Maintenance of Oregon (“Regence HMO”) is authorized to conduct insurance business in Washington State. It is registered as a health maintenance organization under RCW 48.46.
2. Revised Code of Washington § 48.46.080 requires every health maintenance organization to file an annual statement for the previous calendar year with the Office of the Insurance Commissioner (“OIC”) by February 28 of the following year. It also requires that an actuarial certification be filed along with the annual statement.
3. The April Supplemental filings are a required annual statement supplement per the *National Association of Insurance Commissioners’ Quarterly and Annual Statement Filing Instructions*. The Washington Office of the Insurance Commissioner (“OIC”) also posts Annual Statement Filing Instructions on its website that indicate that the April Supplemental filings are due by April 1 of the following calendar year. WAC 284-07-050 requires adherence to these filing instructions.
4. Regence HMO failed to file an actuarial certification with the OIC for calendar 2004. It completed filing its calendar year 2004 annual statement on May 10, 2005 when it submitted the signed Jurat. Regence HMO filed its 2004 April Supplemental filing on May 10, 2005.

Conclusions of Law:

1. Regence HMO's failure to timely file its calendar year 2004 Annual Statement, Actuarial Certification and April Supplemental filings constitutes one violation of RCW 48.46.080 and one violation of WAC 284-07-050.

2. RCW 48.46.135 authorizes the Commissioner to impose a fine in lieu of or in addition to the suspension or revocation of a health maintenance organization's certificate of registration.

Consent to Order:

Regence HMO consents to the following, in order to resolve this matter without further legal or administrative proceedings. The Insurance Commissioner consents to resolve this matter in consideration of the insurer's payment of a fine as set forth below.

1. Regence HMO consents to the entry of the foregoing Findings of Fact and Conclusions of Law, and acknowledges its duty to comply fully with all applicable laws and regulations of the State of Washington. It waives further administrative or legal challenge to the actions taken, or to be taken, by the Insurance Commissioner, related to the subject matter of this Order.

2. Within thirty days of the entry of this Order, Regence HMO will pay to the Insurance Commissioner a fine in the amount of \$1,250 (one thousand two hundred fifty dollars).

3. Failure to pay the fine in full within thirty days of the entry of this order will constitute grounds for revocation of the certificate of authority held by Regence HMO in Washington State. It will also result in a civil action being brought by the Attorney General on behalf of the Insurance Commissioner, to recover the fine.

Executed this 12 day of SEPTEMBER 2006.

REGENCE HEALTH MAINTENANCE OF OREGON

By: San Mallen

Printed Name: Dan Malleg

Printed Corporate Title: VP + Controller

Pursuant to the foregoing Findings of Fact, Conclusions of Law, and Consent to Order, the Insurance Commissioner orders as follows:

Order:

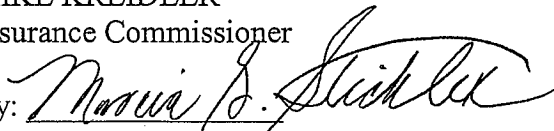
1. Regence Health Maintenance of Oregon is ordered to pay, within thirty days of the entry of this order, a fine in the amount of \$1,250 (one thousand two hundred fifty dollars).

2. Failure to pay the fine timely and in full will constitute grounds for revocation of the certificate of registration held by Regence Health Maintenance of Oregon in Washington State.

It will also result in a civil action being brought by the Attorney General on behalf of the Insurance Commissioner, to recover the fine.

Executed this 26th day of September, 2006

MIKE KREIDLER
Insurance Commissioner

By: 
Marcia G. Stickler
Legal Affairs Division